

INSPECTION REPORT

Partial ☐ Complete ☒ Exploration ☐
 Inspection Date: 04/08/2003/ Time: 9:15 – 12:00
 Date of Last Inspection: 03/18/2003

Mine Name: Crandall Canyon Mine County: Emery Permit Number: C/015/032
 Permittee and/or Operator's Name: Genwal Resources, Inc.
 Business Address: P.O. Box 1077, Price, Utah 84501
 Company Official(s): Gary Gray
 State Official(s): Karl R. Houskeeper Federal Official(s): None
 Weather Conditions: Clear, Temp 48°F
 Type of Mining Activity: Underground ☒ Surface ☐ Prep Plant ☐ Other ☐
 Existing Acreage: Permitted 5195.8 Disturbed 10.7 Regraded ☐ Seeded ☐
 Status: Active

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For complete inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check N/A.
 - b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	EVALUATED	N/A	COMMENTS	NOV/ENF
1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. SIGNS AND MARKERS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. NONCOAL WASTE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL ISSUES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. SUBSIDENCE CONTROL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. CESSATION OF OPERATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. DRAINAGE CONTROLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. OTHER TRANSPORTATION FACILITIES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. SUPPORT FACILITIES/UTILITY INSTALLATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4 th Quarter- April, May, June)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. AIR QUALITY PERMIT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

INSPECTION REPORT
(Continuation Sheet)

PERMIT NUMBER: C/015/032

DATE OF INSPECTION: 04/08/2003

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

The DOGM permit is effective 09/28/1999 and expires 05/13/2003. Other documents include the following:

- Certificate of Insurance issued 07/01/2002 and terminates 07/01/2003.
- Reclamation agreement is dated April 1998 and is signed by both parties.
- UPDES permit UT0024368 effective 09/01/2000 and expires midnight 08/31/2005.
- Air Quality permit DAQE-AN0225003-03, issued 03/20/2003.
- SPCC Plan dated 10/18/1999.

The operator was reminded of the expiration date for the DOGM permit on 05/13/2003.

The South Portal amendment for the construction of three new portals was conditionally approved. The bond will need to be increased prior to construction on this new project.

2. SIGNS AND MARKERS

The identification sign is located at the entrance to the permit area from the Forest Service road. Checked the topsoil and stream buffer zone signs during the inspection. All other markers observed during the inspection met the coal rules.

4A. HYDROLOGIC BALANCE: DIVERSIONS

Minor trash and sediment build up was identified in several diversions and culvert inlets. Portions of the diversions still contain snow and/or ice. The diversions and inlets will be cleaned.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The annual sediment pond inspection report was reviewed. The annual pond inspection was conducted on 12/26/2002 and P.E. certified on 01/23/2003. The report contained the following information:

- 60% Sediment Elevation = 7894'
- 100% Sediment Elevation = 7895'
- Existing Sediment Elevation = 7893.5'
- Principle Spillway Elevation = 7905.81'
- Emergency Spillway Elevation = 7906.81'

The sediment pond is scheduled to be cleaned this year.

4D. HYDROLOGIC BALANCE: WATER MONITORING

Fourth quarter 2002 water monitoring is in the EDI pipeline and still needs to be uploaded. First quarter 2003 water monitoring has been completed. This information still needs to be submitted to the EDI website.

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4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS

The discharge monitoring reports for February 2002 showed that 001 did not discharge. Discharge point 002 did discharge but did not exceed any parameters.

5. EXPLOSIVES

The cap and explosive magazines were inspected. The cap magazine is located away from the explosive magazine as required by law. Proper signs were installed to identify and warn the public.

19. AVS CHECK

An AVS check was done for the Crandall Canyon Mine on April 9, 2003. No problems were indicated as a result of this investigation.

20. AIR QUALITY PERMIT

Approval Order DAQE-827-01 was modified on March 20, 2003. This modification allows additional coal handling equipment (conveyors) to be installed when the South Crandall Portals are constructed. The new Approval Order effective March 20, 2003 is DAQE-AN0225003-03.

21. BONDING AND INSURANCE

Insurance is provided through Pacific Indemnity Co. policy #3510-95-29DAL. The policy meets the minimum coverage requirements, has explosion coverage, contains the proper language in the notification clause, and shows the State of Utah as the certificate holder.

The bonded amount for the Crandall Canyon Mine is \$1,654,000. This bond needs to be increased to \$1,953,000 before the construction on the South Crandall Portal access begins.

Inspector's Signature: _____ Date: April 11, 2003
Karl R. Houskeeper #49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas & Mining.

cc: James Fulton, OSM
Gary Gray, Genwal
Price Field office

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